



ARIZONA DEPARTMENT OF REVENUE

MEMORANDUM

DATE: October 12, 2000

FROM: THE OFFICE OF ECONOMIC RESEARCH & ANALYSIS¹

AUGUST 2000 TAX FACTS

SUMMARY OF GENERAL FUND REVENUES

	<u>August 2000</u>	<u>Fiscal Year Total</u>
Individual Income Tax		
Net Collections	\$154,503,435	\$299,808,341
Percent Change	8.6%	9.1%
Corporate Income Tax		
Net Collections	\$3,758,039	\$27,474,054
Percent Change	314.8%	52.0%
Transaction Privilege, Severance & Use Taxes		
Net Collections	\$233,666,133	\$494,695,259
Change	5.7%	8.3%
Total Big Three Tax Types		
Net Collections	\$391,927,607	\$821,977,654
Percent Change	7.6%	9.7%

¹ The Office of Economic Research and Analysis has a new phone number. We can now be reached at (602) 542-4641. Although our phone number has changed, our extensions remain the same. Please update your records.

TAX FACTS

August 2000

INDIVIDUAL INCOME TAX

Individual Income Tax Receipts

	August 2000	August 1999	% Change
Gross Collections	\$15,854,444	\$13,701,875	15.7
Withholding	192,705,500	179,201,951	7.5
Refunds	(21,018,789)	(19,127,425)	9.9
Urban Revenue Sharing	(33,037,720)	(31,475,916)	5.0
Net Collections	\$154,503,435	\$142,300,485	8.6
	Fiscal Year Total (99/00)	Fiscal Year Total (98/99)	% Change
Gross Collections	\$25,424,051	\$22,193,771	14.6
Withholding	376,788,515	345,781,017	9.0
Refunds	(36,328,785)	(30,341,685)	19.7
Urban Revenue Sharing	(66,075,440)	(62,951,832)	5.0
Net Collections	\$299,808,341	\$274,681,271	9.1

Federal Retiree Program

The Federal Retiree Project is drawing to a close. Refunds sent out directly as a result of the Federal Retiree Program is \$542 for August and \$2,173 for the fiscal year. The total revised estimated cost of the FRP project is \$162.1 million. The estimate for the final credit payout for the remaining credit holders is \$0.151 million.

Federal Employees Retirement Contribution Program

The Federal Employees Retirement Contribution Project is also nearing completion. The law firm of Bonn, Lusher, Padden & Wilkins had obtained a temporary restraining order requiring the department to withhold 20% of each claimants refund based on the law firm's claim that they should be entitled to fees from each claimant that benefited from their work. This hold-back order only applies to years beginning with 1985. During the month of August no refunds were issued as a result of the FERC project, therefore, the amount of refunds for the fiscal year remains at \$16,225. Likewise, the amount withheld per the restraining order described above also remains at \$723 for the fiscal year.

Individual Income Tax Document Count

In calendar year 1999, the following individual income tax returns were filed:

	140X	140	140NR	140PY	140NPR	141	140A	140PTC	140EZ	TOTAL
#	39,865	1,323,254	69,417	104,001	92	39,500	336,335	17,266	162,772	2,092,502
%	1.9	63.3	3.3	5.0	0.0	1.9	16.1	8.9	7.8	

In calendar year 2000 the number of returns filed, and processed, are as follows:

	140X	140	140NR	140PY	140NPR	141	140A	140PTC	140EZ	OTHER	TOTAL
#	32,798	1,284,603	62,758	104,222	38	35,997	328,519	15,784	184,381	1	2,049,101
%	1.6	62.7	3.1	5.1	0.0	1.8	16.0	0.8	9.0	0.0	

The 2,049,010 returns filed through August compares to 1,985,691 returns filed during the same period of time in 1999 for an annual increase of 3.2%. This count represents multiple tax years. For tax year 1999 filed in 2000, 1,975,724 returns have been filed, this represents a 2.8% increase from 1998 returns filed in 1999 during the same period of time.

Year-Over-Year Comparison of Resident Taxpayers

Comparisons of Federal Adjusted Gross Income (FAGI) and tax liability growth between two tax years can be made from taxpayers who have filed for both calendar years to be compared and who have indicated the same marital status on the tax returns for both years. The Department of Revenue has received 1,386,090 returns in calendar year 2000 for tax year 1999 from filers who also have returns on record from calendar year 1998 with the same marital status. On average, these filers experienced a 5.8% growth in FAGI and a 6.3% increase in tax liability. More specifically, 34.6% of these filers experienced a decrease in tax liability; on average a decrease of 40.5% with a corresponding average decrease in FAGI of 22.1%. Filers showing an increase in tax liability totaled 757,872, or 54.7%, with an average FAGI increase of 30.6% and an average tax liability increase of 56.6%.

Average Individual Income Tax Refund

	Average	Number
2000 CYTD	\$544.48	1,302,432
1999 CYTD	\$517.27	1,276,922
% Change	5.3%	2.0%

"New" Filers in Calendar Year 1999

Table 1 attached to this report, presents the number of "new" returns filed in calendar year 2000. "New" returns are for those filers who did not file in the previous calendar year. Therefore, these filers could be new full-year residents of Arizona, or they may be newly required to file an individual income tax return. (The filer may not have earned enough income in the previous year to file, such as a recent graduate just entering the work force.) The table indicates that 219,348 "new" returns have been filed thus far in 2000, representing approximately 262,595 persons, not including dependents. The average Federal Adjusted Gross Income for these 219,348 returns is \$18,518, with an average tax liability of \$316. The right half of this table presents characteristics of the filers represented on the returns. Of all "new" returns, 18.7% had a married filing joint filing status, 7.5% claimed a 65 And Over Exemption and 30.3% claimed dependents.

Individual Income Tax Estimated Payments

Beginning in 1990, individuals are required to make estimated payments to Arizona if their Arizona gross income will exceed \$75,000, in an amount which will represent unpaid tax liability at the end of the taxpayer's tax year. The total estimated payments on the 140ES for tax year 1999 was \$343.6 million, for an average of \$1,678. A total additional \$57.0 million in estimated payments was received as refunds on the 1998 tax returns applied to 1999 estimates, for an average of \$1,711. Estimated payments received during August for tax year 2000, are as follows:

8/00	140ES payment	\$68,368,788	Cumulative	\$126,687,586
8/99	140ES payment	\$1,775,258	Cumulative	\$110,796,334
	Percent change	3,751.2%		14.3%
8/00	Average payment	\$1,252	Cumulative	\$1,193
8/99	Average payment	\$850	Cumulative	\$1,161
	Percent change	47.3%		2.8%
8/00	Applied refund	\$6,003,055	Cumulative	\$32,880,016
8/99	Applied refund	\$4,349,247	Cumulative	\$27,668,708
	Percent change	38.0%		18.8%
Total 8/00		\$74,371,843	Cumulative	\$159,567,602
Total 8/99		\$6,124,505	Cumulative	\$138,465,043
	Percent change	1,114.3%		15.2%

Withholding

Withholding payments are received from employers and applied towards a specific quarter for the designated year. Information is gathered for 15 months for any given quarter. For example, from September 1998 through December 1999, \$534,654,558 was received for the fourth quarter of 1998. The latest complete quarter (15 months of information has been compiled) is the second quarter of 1999, which shows a growth rate of 9.8% in withholding payments over the first quarter of 1998. Growth in quarters for which information is still being gathered is as follows:

3 rd Quarter 1999	9.0%	2 nd Quarter 2000	9.6%
4 th Quarter 1999	10.0%	3 rd Quarter 2000	9.4%
1 st Quarter 2000	14.3%		

The comparisons made above were against the same number of months of collections in the previous year. In other words, the second month of information available for the third quarter of 2000 was compared against the second month of collections for the third quarter of 1999. Current choices for withholding are 0%, 10%, 17%, 20%, 22%, 28% or 32% as the percent of federal taxes to be withheld for state taxes. The 0% option is only available to those individuals who had no liability in the prior tax year and expect no tax liability for the current year.

Property Tax Credits

Arizona allows a refundable property tax credit if you are age 65 or older or if you received Title 16, SSI payments. Additionally, your household income must be below \$3,751 if you live alone, or \$5,501 if you live with another person, to qualify for this credit. The maximum credit is \$502.

	Number	Amount	Average
Calendar Year 2000	15,801	\$4,968,384	\$314.43
Calendar Year 1999	17,122	\$5,255,939	\$306.97
% Change	(7.7%)	(5.5%)	2.4%

Clean Elections

As a result of the November 1998 voter approval of the Citizens Clean Elections, Arizona's income taxpayers can make a donation to the Citizens Clean Elections Commission through an income tax check-off or through a voluntary donation. Since the voter approval was not validated by the Federal Elections Commission until mid 1999, the 1998 tax forms did not carry these options. For tax year 1998, filed in 1999, these options are available.

	August 2000	Year to Date
Check Off	\$27,377	\$1,796,875
Voluntary Donation	\$252	\$48,287
Number of Returns	3,489	241,874

Contributions on the Individual Income Tax Return

Through August 2000, individual income tax return filers have made the following contributions:

	Number	Amount	Average
Wildlife	11,758	\$175,028	\$14.89
Child Abuse	13,030	\$197,295	\$15.14
Special Olympics	6,184	\$82,840	\$13.40
Neighbors Helping	6,385	\$38,402	\$6.01
AID to Education	452	\$13,956	\$30.88
Domestic Violence Shelter	9,331	\$136,961	\$14.68
Democratic Party	704	\$10,047	\$14.27
Republican Party	513	\$12,470	\$24.31
Libertarian Party	128	\$2,520	\$19.69
Reform Party	17	\$180	\$10.59

CORPORATE INCOME TAX

Corporate Income Tax Receipts

	August 2000	August 1999	% Change
Gross Collections	\$12,068,410	\$11,989,504	0.7%
Refunds	(\$8,310,371)	(\$11,083,442)	(25.0%)
Net Collections	\$3,758,039	\$906,062	314.8%

	Fiscal Year Total (99/00)	Fiscal Year Total (98/99)	% Change
Gross Collections	\$40,149,117	\$33,361,114	20.0%
Refunds	(\$12,575,063)	(\$15,280,540)	17.7%
Net Collections	\$27,474,054	\$18,080,574	52.0%

Corporate Estimated Payments

Corporations are required to file estimated tax payments throughout the year only if (1) their Arizona tax liability exceeds \$1,000 and (2) they are required to file federal estimated tax payments.

August 2000	\$7,718,039	Calendar Year Total	\$263,641,103
August 1999	\$7,250,099	Calendar Year Total	\$287,193,253
% Change	6.5%	% Change	(8.2%)

All corporations with an income tax liability of \$20,000 or greater are required to make their estimated tax payments through electronic funds transfer (eft). The table below shows the number of these eft estimated payments, by size of payment, for June 2000 and for the fiscal year.

Size of Payment →	Less than \$50,000	\$50,000 up to \$100,000	\$100,000 up to \$500,000	\$500,000 up to \$1,000,000	\$1,000,000 up to \$10,000,000	\$10,000,000 and more	Total	% chg
August 2000	75	8	8	2	1	0	94	13.3
August 1999	67	7	6	3	0	0	83	
CY 2000	1,823	242	259	42	40	0	2,406	4.8
CY 1999	1,758	233	240	35	27	2	2,295	

Corporate Refunds

Corporate refunds paid in any state fiscal year are for a mixture of corporate fiscal years. The table below presents the percent of refunds paid in FY 98/99 by corporate fiscal year. For example, in FY 98/99, 3.8% of the refund dollars paid were for corporate fiscal years ending in 1994 or before. The percentages are for refunds paid through the fiscal year.

Corporate Fiscal Year-End:	95 & Prior	96	97	98	99	00
FY 99/00	5.0%	1.5%	4.4%	62.8%	26.1%	0.3%

Corporate Fiscal Year-End:	96 & Prior	97	98	99	00	01
FY 00/01	50.9%	7.4%	2.0%	36.2%	3.5%	0.0%

The corporate refunds shown above are those refunds for which a check is mailed to the corporation. Sometimes corporations choose to apply their refund as an estimated payment. The following table present information on refunds applied as estimated payments in the most recent month and for the calendar year.

August 2000	\$3,947,414	Calendar Year Total	\$31,809,644
August 1999	\$8,742,781	Calendar Year Total	\$35,191,848
% Change	(31.3%)	% Change	(9.6%)

Corporate Income Tax Document Count

The Arizona Department of Revenue received 95,415 corporate returns showing a fiscal year-end of 1998. The type of return received is indicated below:

	120X (amended)	120 (regular)	120S (S corp)	99T (exempt org.)
#	384	52,087	42,587	357
%	0.4	54.6	44.6	0.4

Through August 2000, 54,428 documents have been received for a fiscal year-end of 1999, distributed as follows:

	120 X (amended)	120 (regular)	120S (S corp)	99T (exempt org.)	120 A (short form)
#	188	32,288	16,664	256	5,032
%	0.3	59.3	30.6	0.5	9.2

The figures shown above for the 1999 returns are most meaningful when compared to 1998 returns received during the same period of time in the previous year. Through August 1999, the Arizona Department of Revenue received 71,325 documents with a fiscal year-end of 1998. This represents a 23.7% decrease in corporate returns received at this point of time in the calendar year **and is a result of processing problems.**

Urban Revenue Sharing Returned to Cities/Towns

Incorporated cities and towns receive a share of net individual and corporate income tax collections, called Urban Revenue Sharing. The amount of money to be distributed is 15.0% of net income tax collections two years earlier. For example, the money being distributed in Fiscal Year 2000/01 is based on net income tax collections in Fiscal Year 1998/1999. Amounts returned for August 2000 are shown on Table 2, at the end of this report.

TRANSACTION PRIVILEGE, SEVERANCE AND USE TAXES

Transaction Privilege, Severance and Use Tax Receipts

The Arizona transaction privilege and severance tax consists of many categories of tax. These categories include retail, contracting, amusements, restaurants and bars, hotel/motel and mining severance tax. The collections for all such categories are divided, per statute, into two parts. One part is called distribution base; the other part is known as non shared. The division of collections into these two parts varies from category to category. For example, retail sales tax is 40% distribution base and 60% non shared. In contrast, contracting is 20% distribution base and 80% non shared. Due to new legislation, mining severance is now 100% distribution base. Use tax is 100% non shared.

At the close of each month, the computer aggregates transaction privilege and severance tax collections by category and calculates total distribution base and non shared portions. The amount shown as "Use Tax" in the table below includes use tax, use inventory tax and jet fuel use tax. The "Other Revenue" category includes county excise, road, jail and hospital taxes and various other excise taxes, such as the 911 excise tax.

	August 2000	August 1999	% change
Distribution Base	\$94,584,356	\$91,252,816	3.7
Non shared	183,915,983	175,444,355	4.8
Use Tax	17,295,855	14,186,695	21.9
Other Revenues	37,135,126	33,877,402	9.6
Total Collections	\$332,931,320	\$314,761,268	5.8

	Fiscal Year Total (00/01)	Fiscal Year Total (99/00)	% change
Distribution Base	\$202,918,693	\$190,566,721	6.5
Non shared	390,349,769	363,945,125	7.3
Use Tax	34,663,689	27,197,113	27.5
Other Revenues	76,497,492	69,448,783	10.1
Total Collections	\$704,429,641	\$651,157,743	8.2

Distribution of Transaction Privilege, Severance and Use Tax Receipts

Of the distribution base portion of transaction privilege and severance taxes, described above, 25% is returned to incorporated cities/towns, 40.51% is returned to counties and 34.49% goes to the state general fund with the exception of mining severance tax. All of the non shared revenue and use tax is deposited into the general fund. Therefore, the "Retained By State" figure presented below includes all non shared portion of transaction privilege tax, use tax and 34.49% of the distribution base collections. "Other" revenues are returned to the administering authority.

	August 2000	August 1999	% change
Retained by State	\$233,666,133	\$221,104,146	5.7
Returned to Counties	38,419,927	36,966,516	3.9
Returned to Cities	23,710,133	22,813,204	3.9
Other	37,135,126	33,877,402	9.6
Total Collections	\$332,931,320	\$314,761,268	5.8

	Fiscal Year Total (00/01)	Fiscal Year Total (99/00)	% change
Retained by State	\$494,695,259	\$456,868,701	8.3
Returned to Counties	82,390,897	77,198,579	6.7
Returned to Cities	50,845,994	47,641,680	6.7
Other	76,497,492	69,448,783	10.2
Total Collections	\$704,429,641	\$651,157,743	8.2

Transaction Privilege and Severance Tax Collections By Class

	Tax Rate	August 2000	% Chg	Fiscal Year Total	% Chg
Transporting/Towing	5%	\$483,152	N/A	\$902,450	200.8
Non-Metal Mining/Oil & Gas	3.125%	538,822	74.2	1,181,594	34.8
Utilities	5%	28,621,771	4.4	55,720,336	10.6
Communications	5%	11,813,776	23.6	23,441,287	21.4
Railroads/Aircraft	5%	106,093	5.0	180,670	(20.8)
Private Car/Pipelines	5%	63,492	N/A	257,336	N/A
Publishing	5%	649,609	23.7	1,180,297	30.5
Printing	5%	1,559,166	(0.7)	3,395,276	(1.7)
Restaurants/Bars	5%	22,705,724	3.6	48,361,248	6.2
Amusements	5%	3,289,414	7.9	6,620,490	(0.7)
Commercial Lease	0%	127,241	(16.3)	3,586,057	N/A
Rental of Personal Property	5%	14,217,400	10.4	30,278,968	11.0
Contracting	3.75% - 5%	44,879,944	1.4	97,641,615	4.5
Feed Wholesale	Repealed	0	N/A	499	N/A
Retail	5%	142,825,574	4.1	306,053,490	5.5
Advertising	0	0	0.0	0	0.0
Mining Severance*	2.5%	486,659	(70.3)	883,901	(70.7)
Timber Severance	\$2.13/\$1.51 per 1000 board ft	(389)	N/A	152	(93.5)
Hotel/Motel	5.5%	5,739,718	(3.6)	12,777,089	3.8
Membership Camping	5%	7,836	144.7	12,162	60.0
Use/Use Inventory	5%	17,295,855	21.9	34,663,689	27.5
Rental Occupancy Tax	3%	8,433	23.0	14,927	7.5
Jet Fuel Tax	\$.0305/\$.0105 gal	366,529	33.8	791,709	29.5
Telecommunications Devices:	1.1				
Telecom. Fund for the Deaf	----	407,763	1.7	819,023	0.9
Poison Control Fund	----	150,817	1.7	302,926	0.9
911 Excise	1.25%	666,804	6.3	1,345,342	(5.9)
911 Wireless Service	\$0.10 monthly per activated service	174,848	51.1	304,995	(5.3)
Total		\$297,186,050	5.3	\$630,717,527	7.9

*Beginning with December 1999 the mining severance tax base has changed.

The Use/Use Inventory category shown on the previous page includes jet fuel use tax. These collections include only the individual classes of transaction privilege tax, severance tax and use tax. The total does not include license fees or any other fees collected by the Department.

Transaction Privilege and Severance Tax Taxable Sales By Class²

	August 2000	% Chg	Fiscal Year Total	% Chg
Transporting/Towing	\$9,663,031	N/A	\$18,048,992	200.8
Non-Metal Mining/Oil & Gas	17,242,317	74.2	37,811,010	34.8
Utilities	572,435,412	4.4	1,114,406,713	10.6
Communications	236,275,528	23.6	468,825,733	21.4
Railroads/Aircraft	2,121,851	5.0	3,613,393	(20.8)
Private Car/Pipelines	1,269,841	N/A	5,146,710	N/A
Publishing	12,992,171	(23.7)	23,605,941	(30.5)
Printing	31,183,313	(0.7)	67,905,518	(1.7)
Restaurants/Bars	454,114,489	3.6	967,224,960	6.2
Amusements	65,788,282	7.9	132,409,797	(0.7)
Commercial Lease	3,650,545	(61.1)	166,756,656	N/A
Rental of Personal Property	284,347,992	10.4	605,579,345	11.0
Contracting	897,598,882	1.4	1,952,832,296	4.5
Feed Wholesale	0	N/A	106,458	N/A
Retail	2,856,511,875	4.1	6,121,070,610	5.5
Advertising	0	0.0	0	0.0
Mining Severance*	19,466,343	(70.3)	35,356,059	(70.7)
Timber Severance	0	0.0	0	0.0
Hotel/Motel	104,358,510	(3.6)	232,310,712	3.8
Membership Camping	156,720	144.7	243,249	60.0
Use/Use Inventory	345,889,369	22.3	692,147,140	27.8
Rental Occupancy Tax	281,116	23.0	497,565	7.5
Total	\$5,915,347,585	4.8	\$12,645,898,855	8.3

Telecommunications Devices, 911 Excise and 911 Wireless Service classifications previously listed in the collections table, are not elements of calculated taxable income and therefore, are not included in the above table. The Use/Use Inventory category shown above does not include jet fuel use tax. Since the jet fuel use tax is a gallonage tax, this too can not be computed as taxable income. A comparison can be made of gallons of jet fuel on which Arizona jet fuel tax or jet fuel use tax was paid. In August 2000, 12,062,809 gallons of jet fuel were taxed, a 15.7% increase from the 10,423,262 reported for August 1999. Timber Severance includes only sales subject to a repealed rate. The current tax is per board feet upon which taxable income cannot be computed.

Accounting Credit

Effective to taxable periods beginning from and after July 1, 1995, a credit equal to one percent of the amount of tax due, up to \$10,000 per calendar year, is allowed to businesses for expenses incurred during the accounting and reporting of Transaction Privilege Tax. The amount of accounting credits claimed in August 2000 was \$1,238,743 a 4.0% increase from the \$1,190,703 claimed in August 1999. Accounting credits claimed-to-date in FY 00/01 equals \$2,632,512 a 5.3% increase from the \$2,499,696 a claimed during the same period in FY 99/00.

²These Taxable Sales figures are calculated on a per return basis, by taking collections and dividing them by the appropriate tax rate. These figures may not match other Taxable Sales figures calculated on the aggregate.

*Beginning with December 1999, the mining severance tax base has changed.

Taxable Sales by SIC Code Range

The taxable sales by SIC (Standard Industrial Classification) Code ranges are an indicator of business occurring for that type of retail sale. Certain limitations must be understood when using this information.

The Department of Revenue assigns a SIC code to a business based on its primary type of business activity. A grocery store would be assigned a SIC code of 5411. A business that deals primarily with dairy products would have a SIC code of 5451. A problem arises with businesses which derive revenue from multiple business activities. For example, a store like Cosco might be considered both a grocery store and a department store; however, all revenue would be reported under only one of the two possible codes. In summary, an accurate description of what this information represents would be: "These figures represent taxable retail sales for those businesses which have a primary SIC code falling within one designated range."

If the taxable sales for these ranges were added together, the total would not equal retail taxable sales. This is again due to the primary SIC code assignment. There are businesses making retail sales which do not have a primary retail SIC code.

<u>SIC Code</u> <u>Range</u>	<u>Description</u>	<u>August 2000</u>	<u>August 1999</u>	<u>% Chg</u>
5211-5271	building materials, hardware, garden supply & mobile home dealers	\$173,820,547	\$167,925,571	3.5
5311-5399	general merchandise stores	265,439,964	241,972,054	9.7
5411-5499	food stores (no food sales)	235,792,028	267,578,629	(11.9)
5511-5521	motor vehicle dealers	551,336,168	510,680,746	8.0
5531-5599	misc. automotive, motorcycle & boat stores	152,757,820	146,397,068	4.3
5611-5699	apparel & accessory stores	141,281,548	138,482,974	2.0
5712-5733	furniture, home furnishings & equipment stores	150,761,633	151,780,817	(0.7)
5912-5949	misc. retail stores	188,631,345	184,726,714	2.1
TOTAL		\$2,856,511,475	\$2,745,162,510	4.1

<u>SIC Code</u> <u>Range</u>	<u>Description</u>	<u>FY 2001</u>	<u>FY 2000</u>	<u>% Chg</u>
5211-5271	building materials, hardware, garden supply & mobile home dealers	\$345,349,832	\$338,231,473	2.1
5311-5399	general merchandise stores	565,400,453	573,014,583	(1.3)
5411-5499	food stores (no food sales)	488,709,996	463,807,899	5.4
5511-5521	motor vehicle dealers	1,169,044,394	1,052,222,242	11.1
5531-5599	misc. automotive, motorcycle & boat stores	321,395,626	323,471,501	(0.6)
5611-5699	apparel & accessory stores	336,265,390	330,081,250	1.9
5712-5733	furniture, home furnishings & equipment stores	327,348,513	314,929,010	3.9
5912-5949	misc. retail stores	390,232,094	382,499,397	2.0
TOTAL		\$6,121,069,810	\$5,801,160,894	5.5

Transaction Privilege and Severance Tax Returned to Counties

Taxpayers reported the following taxable transactions and tax collections by county. The share of the revenues returned to each county for August 2000 is shown in the County Share column.

	Dist. Base Collections	County Share	% of Total	FYTD County Share	% Chg
Apache	\$273,576	\$324,843	0.8	\$1,074,540	67.7
Cochise	1,289,708	728,655	1.9	1,560,043	5.7
Coconino	3,177,112	1,210,828	3.2	2,540,238	3.7
Gila	541,348	348,754	0.9	674,925	(1.8)
Graham	357,630	196,614	0.5	405,416	3.6
Greenlee	483,887	285,802	0.7	812,147	(7.6)
La Paz	208,737	112,676	0.3	240,378	0.3
Maricopa	63,716,098	24,187,783	63.0	52,043,203	7.6
Mohave	2,331,434	1,048,458	2.7	2,225,834	3.6
Navajo	1,537,404	652,495	1.7	1,367,844	3.1
Pima	13,979,732	5,950,446	15.5	12,664,970	3.8
Pinal	1,628,383	916,711	2.4	1,945,795	2.8
Santa Cruz	524,359	248,078	0.6	525,813	4.9
Yavapai	2,824,484	1,359,079	3.5	2,788,642	8.9
Yuma	1,710,464	848,706	2.2	1,821,110	4.4
Total	\$94,584,356	\$38,419,927		\$82,390,897	6.7%

Transaction Privilege and Severance Tax Returned to Cities/Towns

The portion of transaction privilege and severance tax returned to each incorporated city or town for August 2000 is shown on Table 3, attached to this report.

County Tax Collections

The following county-imposed tax collections were received by the Department of Revenue during August 2000 and returned to the counties. County taxes in all but Coconino County are imposed at 10% of the state transaction privilege tax rate. Coconino's Excise Tax is 10% of the state rate, and its Jail Tax is 6% of the state rate. The stadium tax was imposed at 5% of the state rate. This rate completed its run in December 1997. Collections received now should be for prior periods. The rental car surcharge in Maricopa County is \$2.50 per car and in Pima County is \$3.50 per car. The RV Surcharge is \$0.50/day on each lease or rental of a parking space for recreational vehicles.

	Road Tax	Excise Tax	Jail Tax	Rental Car Surcharge	Stadium Tax	RV Surcharge	Hospital Tax
Apache		\$89,407					
Cochise		\$390,299					
Coconino		\$868,981	\$520,786				
Gila	\$222,175	\$217,173					
Graham		\$113,076					
Greenlee		\$34,412					
La Paz		\$62,131	\$62,131				
Maricopa	\$20,662,544		\$7,652,144	\$398,152	\$11,267		
Mohave		\$338,113					
Navajo		\$436,637					
Pima				\$132,139		\$5,505	
Pinal	\$511,291	\$475,293					
Santa Cruz		\$148,777					
Yavapai		\$832,159	\$319,404				
Yuma		\$505,870	\$504,561				

OTHER TAXES

Luxury Taxes

The following revenues were received from luxury taxes in August 2000. The table compares the receipts to August 1999 and also compares fiscal year (FY) totals. Figures may not add to total due to rounding.

	August 2000	August 1999	% Change
Spirituos	\$1,361,760	\$1,332,716	2.2
Vinous	348,717	462,741	(24.6)
Malt	1,755,608	1,867,922	(6.0)
Cigarette	11,013,804	11,535,524	(4.5)
Other Tobacco	252,366	318,186	(20.7)
Tobacco Licenses	925	1,225	(24.5)
Total	14,733,181	\$15,518,314	(5.1)

	Fiscal Year Total (99/00)	Fiscal Year Total (98/99)	% Change
Spirituos	\$2,979,597	\$2,786,744	6.9
Vinous	958,156	1,071,565	(10.6)
Malt	3,714,668	3,664,917	1.4
Cigarette*	25,835,197	25,188,587	2.6
Other Tobacco	546,196	679,377	(19.6)
Tobacco Licenses	3,675	5,575	(34.1)
Total	\$34,037,489	\$33,396,765	1.9

*Through August 2000, \$386,100 of Cigarette and Tobacco tax collections has been allocated for administrative expenses and is not reflected in fiscal year collections.

General Fund revenues from luxury taxes:

	August 2000	FY (99/00)
Spirituos	\$953,232	\$2,085,718
Vinous	86,832	238,799
Malt	438,902	928,667
Cigarette	3,169,897	7,217,526
Other Tobacco	39,117	84,660
Tobacco Licenses	925	3,675
Total	\$4,688,905	\$10,559,045

Other dedicated revenues from luxury taxes:

	August 2000	FY (99/00)
Correction Fund revenues	\$1,759,174	\$3,917,702
Health Care Fund revenues	7,621,803	18,092,357
Wine Promotional Fund revenues	1,389	2,960
Drug Treatment & Education Fund revenues	473,852	1,049,147
Corrections Revolving Fund revenues	188,058	416,278

Estate Tax

	August 2000	\$4,198,421	Fiscal year To Date	\$11,156,146
	August 1999	<u>\$5,297,478</u>	Fiscal year To Date	<u>\$8,202,744</u>
% Change		(20.7%)	% Change	36%

Private Car

	August 2000	\$0	Fiscal year To Date	\$1,288
	August 1999	<u>\$0</u>	Fiscal year To Date	<u>\$56</u>
% Change		N/A	% Change	N/A

Bingo

	August 2000	\$53,661	Fiscal year To Date	\$115,930
	August 1999	<u>\$59,062</u>	Fiscal year To Date	<u>\$118,246</u>
% Change		(9.1%)	% Change	(2.0%)

Unclaimed Property

	August 2000	(\$353,933)	Fiscal year To Date	\$1,155,549
	August 1999	<u>(\$487,610)</u>	Fiscal year To Date	<u>\$2,110,307</u>
% Change		(27.4%)	% Change	(45.2%)

Please note that some totals throughout Tax Facts may not add due to rounding.

SOURCE: THE OFFICE OF ECONOMIC RESEARCH & ANALYSIS, ARIZONA DEPARTMENT OF REVENUE

TABLE 1
“New” Returns Filed in 2000 for Tax Year 1999
Through August 2000

Federal Adjusted Gross Income Bracket	Number of Returns	% of Total	Average FAGI	Average Tax Due	CHARACTERISTICS OF TAXPAYERS					
					% Married Joint	% Single	% Unmarried Head	% Married Separate	% Over 65	% With Dependents
Negative FAGI	1,079	0.5%	-\$21,145	\$5	24.4%	65.2%	6.4%	4.0%	16.6%	13.9%
\$0-\$5,000	53,680	24.5%	\$2,698	\$1	3.1%	87.6%	8.4%	0.9%	2.5%	11.2%
\$5,000-\$10,000	49,237	22.4%	\$7,363	\$30	6.9%	71.7%	19.8%	1.7%	5.6%	26.0%
\$10,000-\$15,000	33,401	15.2%	\$12,368	\$96	15.2%	53.3%	29.1%	2.4%	9.1%	39.1%
\$15,000-\$20,000	23,294	10.6%	\$17,311	\$179	22.9%	44.7%	29.2%	3.2%	10.5%	42.6%
\$20,000-\$25,000	14,735	6.7%	\$22,348	\$305	26.6%	44.2%	25.4%	3.9%	9.0%	42.3%
\$25,000-\$30,000	9,923	4.5%	\$27,358	\$432	30.4%	42.6%	22.0%	5.0%	8.4%	41.4%
\$30,000-\$40,000	12,038	5.5%	\$34,462	\$604	39.5%	38.9%	17.4%	4.3%	9.9%	40.6%
\$40,000-\$50,000	7,152	3.3%	\$44,601	\$835	50.5%	31.7%	14.3%	3.4%	11.9%	43.0%
\$50,000-\$75,000	8,738	4.0%	\$60,246	\$1,220	64.2%	25.2%	8.2%	2.4%	14.8%	41.7%
\$75,000-\$100,000	3,020	1.4%	\$85,389	\$1,944	71.1%	21.3%	5.4%	2.1%	17.6%	40.9%
\$100,000-\$200,000	2,388	1.1%	\$130,553	\$3,533	70.3%	21.8%	5.7%	2.2%	19.6%	38.5%
\$200,000-\$500,000	524	0.2%	\$287,176	\$10,054	70.1%	23.3%	5.7%	0.9%	25.0%	33.0%
\$500,000-\$1,000,000	88	0.0%	\$688,534	\$29,087	62.9%	23.6%	5.6%	7.9%	27.0%	24.7%
\$1,000,000 and over	51	0.0%	\$2,340,082	\$108,792	74.5%	19.6%	3.9%	2.0%	19.6%	27.5%
Total	219,348		\$18,518	\$316	18.7%	60.3%	18.7%	2.3%	7.5%	30.3%

NEW RETURNS FILED IN 1999 FOR TAX YEAR 1998

Total	228,194		\$17,402	\$289	18.4%	59.3%	19.8%	2.5%	7.4%	32.4%
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“NEW” Returns means that there was no return filed by the taxpayer in the previous filing year. This may or may not mean the filer is new to the state.

TABLE 2
Urban Revenue Sharing Returned to Cities/Towns
August 2000

City	Distribution	Population	City	Distribution	Population
<u>Apache County</u>			Scottsdale	\$1,629,993	168,176
Eagar	\$43,760	4,515	Surprise	104,065	10,737
Springerville	18,609	1,920	Tempe	1,490,862	153,821
St. Johns	32,566	3,360	Tolleson	42,995	4,436
<u>Cochise County</u>			Wickenburg	46,183	4,765
Benson	\$39,883	4,115	Youngtown	26,111	2,694
Bisbee	62,999	6,500	<u>Mohave County</u>		
Douglas	143,250	14,780	Bullhead City	\$261,107	26,940
Huachuca City	18,803	1,940	Colorado City	30,918	3,190
Sierra Vista	366,510	37,815	Kingman	162,528	16,769
Tombstone	13,618	1,405	Lake Havasu City	351,681	36,285
Willcox	34,242	3,533	<u>Navajo County</u>		
<u>Coconino County</u>			Holbrook	\$49,139	5,070
Flagstaff	\$528,030	54,480	Pinetop-Lakeside	31,994	3,301
Fredonia	12,115	1,250	Show Low	67,729	6,988
Page	77,053	7,950	Snowflake	39,932	4,120
Williams	26,072	2,690	Taylor	25,733	2,655
<u>Gila County</u>			Winslow	104,482	10,780
Globe	\$68,407	7,058	<u>Pima County</u>		
Hayden	8,820	910	Marana	\$59,258	6,114
Miami	19,772	2,040	Oro Valley	190,519	19,657
Payson	106,653	11,004	Sahuarita	22,399	2,311
Winkelman	6,552	676	South Tucson	52,842	5,452
<u>Graham County</u>			Tucson	4,301,614	443,823
Pima	\$17,931	1,850	<u>Pinal County</u>		
Safford	85,030	8,773	Apache Junction	\$189,240	19,525
Thatcher	38,352	3,957	Casa Grande	202,373	20,880
<u>Greenlee County</u>			Coolidge	68,378	7,055
Clifton	\$29,028	2,995	Eloy	86,406	8,915
Duncan	7,124	735	Florence	110,394	11,390
<u>La Paz County</u>			Kearny	23,794	2,455
Parker	\$28,592	2,950	Mammoth	18,997	1,960
Quartzsite	19,433	2,005	Superior	33,777	3,485
<u>Maricopa County</u>			<u>Santa Cruz County</u>		
Avondale	\$220,701	22,771	Nogales	\$200,192	20,655
Buckeye	47,075	4,857	Patagonia	9,159	945
Carefree	22,156	2,286	<u>Yavapai County</u>		
Cave Creek	29,813	3,076	Camp Verde	\$72,352	7,465
Chandler	1,282,858	132,360	Chino Valley	60,848	6,278
El Mirage	55,643	5,741	Clarkdale	25,200	2,600
Fountain Hills	137,106	14,146	Cottonwood	63,435	6,545
Gila Bend	16,932	1,747	Jerome	4,458	460
Gilbert	575,115	59,338	Prescott	301,291	31,086
Glendale	1,769,938	182,615	Prescott Valley	155,492	16,043
Goodyear	89,653	9,250	Sedona	86,202	8,894
Guadalupe	52,900	5,458	<u>Yuma County</u>		
Litchfield Park	36,239	3,739	San Luis	\$77,789	8,026
Mesa	3,277,092	338,117	Somerton	56,447	5,824
Paradise Valley	120,648	12,448	Wellton	10,913	1,126
Peoria	722,698	74,565	Yuma	608,592	62,792
Phoenix	11,140,362	1,149,417	TOTAL	\$33,037,720	3,408,697
Queen Creek	29,774	3,072			

TABLE 3
Transaction Privilege and Severance Tax Returned to Cities/Towns
August 2000

City	Distribution	Population	City	Distribution	Population
<u>Apache County</u>			Scottsdale	\$1,169,795	168,176
Eagar	\$31,405	4,515	Surprise	74,684	10,737
Springerville	13,355	1,920	Tempe	1,069,944	153,821
St. Johns	23,371	3,360	Tolleson	30,856	4,436
<u>Cochise County</u>			Wickenburg	33,144	4,765
Benson	\$28,623	4,115	Youngtown	18,739	2,694
Bisbee	45,213	6,500	<u>Mohave County</u>		
Douglas	102,806	14,780	Bullhead City	\$187,389	26,940
Huachuca City	13,494	1,940	Colorado City	22,189	3,190
Sierra Vista	263,033	37,815	Kingman	116,641	16,769
Tombstone	9,773	1,405	Lake Havasu City	252,390	36,285
Willcox	24,575	3,533	<u>Navajo County</u>		
<u>Coconino County</u>			Holbrook	\$35,266	5,070
Flagstaff	\$378,951	54,480	Pinetop/Lakeside	22,961	3,301
Fredonia	8,695	1,250	Show Low	48,607	6,988
Page	55,298	7,950	Snowflake	28,658	4,120
Williams	18,711	2,690	Taylor	18,468	2,655
<u>Gila County</u>			Winslow	74,983	10,780
Globe	\$49,094	7,058	<u>Pima County</u>		
Hayden	6,330	910	Marana	\$42,528	6,114
Miami	14,190	2,040	Oro Valley	136,730	19,657
Payson	76,541	11,004	Sahuarita	16,075	2,311
Winkelman	4,702	676	South Tucson	37,923	5,452
<u>Graham County</u>			Tucson	3,087,133	443,823
Pima	\$12,868	1,850	<u>Pinal County</u>		
Safford	61,023	8,773	Apache Junction	\$135,812	19,525
Thatcher	27,524	3,957	Casa Grande	145,237	20,880
<u>Greenlee County</u>			Coolidge	49,073	7,055
Clifton	\$20,833	2,995	Eloy	62,011	8,915
Duncan	5,113	735	Florence	79,226	11,390
<u>La Paz County</u>			Kearny	17,076	2,455
Parker	\$20,520	2,950	Mammoth	13,633	1,960
Quartzsite	13,946	2,005	Superior	24,241	3,485
<u>Maricopa County</u>			<u>Santa Cruz County</u>		
Avondale	\$158,390	22,771	Nogales	\$143,672	20,655
Buckeye	33,784	4,857	Patagonia	6,573	945
Carefree	15,901	2,286	<u>Yavapai County</u>		
Cave Creek	21,396	3,076	Camp Verde	\$51,925	7,465
Chandler	920,667	132,360	Chino Valley	43,668	6,278
El Mirage	39,933	5,741	Clarkdale	18,085	2,600
Fountain Hills	98,396	14,146	Cottonwood	45,526	6,545
Gila Bend	12,152	1,747	Jerome	3,200	460
Gilbert	412,742	59,338	Prescott	216,227	31,086
Glendale	1,270,229	182,615	Prescott Valley	111,592	16,043
Goodyear	64,341	9,250	Sedona	61,865	8,894
Guadalupe	37,965	5,458	<u>Yuma County</u>		
Litchfield Park	26,008	3,739	San Luis	\$55,827	8,026
Mesa	2,351,866	338,117	Somerton	40,510	5,824
Paradise Valley	86,586	12,448	Wellton	7,832	1,126
Peoria	518,657	74,565	Yuma	436,767	62,792
Phoenix	7,995,087	1,149,417	TOTAL	\$23,710,133	3,408,697
Queen Creek	21,368	3,072			

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